

## 2014 Annual General Meeting

### **Chairman's Address**

**Mr John Pettigrew, Chairman, Rubicor**

#### **Slide – Rubicor AGM**

Good afternoon ladies and gentlemen.

My name is John Pettigrew and I am the Chairman of the Rubicor Group and I will chair this Meeting.

#### **Slide – John Pettigrew**

On behalf of your Board, welcome to the 2014 Annual General Meeting of Rubicor Group Limited. Thank you to everyone for coming along today.

Let me begin by introducing my fellow Directors. With me today are:

- » Russel Pillemer – Russel is an Independent Non-Executive Director and Chair of the Audit and Risk Management Committee;
- » Steven Hatch – Steven is a Non-Executive Director;
- » Kevin Levine – the Company's Chief Executive Officer and Managing Director; and
- » I should note that I am also an Independent Non-Executive Director and Chair of the Nomination and Corporate Governance Committee and Remuneration and Human Resources Committee.

Also with us today are:

- » Sharad Loomba – General Counsel and Company Secretary;

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- » Mr Alfie Nehama, our engagement partner at Deloitte Touche Tohmatsu, Rubicor's auditor: and
  - » Mr Lee Marshall, returning officer for today's meeting from Link Market Services, Rubicor Group's shareholder registry.

I would also like to thank Baker & McKenzie for the kind use of their premises today.

There are three major parts to today's Meeting:

- » First, I will present a brief overview of the performance of the Company for the past financial year.
- » I will then hand over to Kevin Levine who will provide further commentary on the financial and operational performance of the business.
- » We will then proceed to the more formal part of the Meeting to consider, discuss and vote on the resolutions set out in the Notice of Meeting.

At the conclusion of the Meeting, you are invited to join us for refreshments in the foyer outside.

As the Company Secretary has advised me that a quorum is present in person or by proxy, I declare the Meeting open.

In addition to those shareholders present at today's Meeting, I can confirm that the holders of the following number of shares are represented by proxy:

- » approximately 29.5 million shares, or 27% of the total, for resolution number two; and
- » approximately 47 million shares, or 43% of the total, for resolution number three.

## 2014 Annual General Meeting Addresses to shareholders

### **Chairman's Address** **Mr John Pettigrew, Chairman, Rubicor**

I will start this address by taking you through Rubicor's results for financial year 2014 and comment on a number of recent and significant developments for the Group.

#### **Slide – Financial Summary**

The recruitment industry has always been intrinsically linked to the economic cycle, and last year was no exception. Once again business conditions and confidence were negatively affected throughout the year by instability across Australia's political and economic landscape, and Rubicor was not immune to these conditions.

At the start of the new financial year, business and consumer sentiment was buoyed with the RBA's announcement of a cut in interest rates in April and then again in July 2013, alongside the wider expectation that greater stability would be instilled following the federal election. Alongside this, job advertisements rose early in the calendar year, although it was only to be short lived.

As widely reported, the drawn out election process, an unclear political mandate and further instability following the federal budget were all critical factors that made this a challenging year.

In July 2013, Rubicor restructured its debt facilities and finalised an organisational restructure aimed at reducing operating overheads and improving margins, both necessary in the challenging market conditions which prevailed last financial year. Kevin will address these initiatives in more detail.

In the financial year; the Group reported:

- » Total revenues of \$198 million, a reduction on the previous years' result of \$238 million, which Kevin will discuss.
- » Underlying EBITDA was \$1.3 million for the full year, in line with previous guidance, as compared to \$1.6 million in the prior year.
- » Statutory NPAT attributable to equity holders was \$84.4 million, as compared to a net loss of \$24.4 million in the previous corresponding period (pcp). This result included a non-recurring item of a gain on debt forgiveness of \$88.6 million, arising from the restructure of the Group's debt facilities in July 2013, and
- » An underlying NPAT loss of \$1.0 million was reported, which was a 71% or \$2.4 million improvement on the previous corresponding period.

These results are reflective of a somewhat patchy year, although EBITDA and margins have improved in each of the last three half years.

#### **Slide – Capital management**

At last years' AGM, we addressed details of an agreement with our bank to restructure the debt that was for a long time burdening the Group.

As a result of this debt restructure, all debt obligations in respect of the loan facilities (term and subordinated facility) and the bank overdraft facility – which amounted to \$95.6 million at settlement – were extinguished in full, in exchange for a \$7.0 million cash payment. This resulted in a debt forgiveness gain of \$88.6 million, which is reflected in this year's financial statements.

As part of the restructure of the debt facilities, we successfully secured new funding in the form of a debtor finance facility, with an initial limit of \$15 million. This facility provides funding based on approved receivables and the limit will adjust in line with the value of the approved receivables. This facility has a three year term with no annual review, no financial covenants and no facility amortisation repayments. Other

facilities (rental guarantees) amounting to \$2.1million remain in place in the short-term, and have been cash-backed by funds drawn from the debtor finance facility.

The significant result of this debt forgiveness was that it removed the burden which has constrained our operations for a number of years. It was a clear distraction for the business at all levels and meant we were unable to invest in growing consultant headcount or adequately pursue potential growth opportunities that would drive a sustainable business.

Having stabilised the business, we now need to grow revenue which to some extent we can do organically. However, we are also exploring acquisition opportunities in the sectors we have identified as having growth potential.

#### **Slide – Capital management (continued)**

##### **Vendor payments**

The balance owing to vendors as at 30 June, 2014 has reduced to \$0.8 million, and we will continue to review this payment to ensure the timing of the payment will align with available cash flows.

#### **Slide – Board and senior management**

Since we met in November last year, we have had two changes to Rubicor's Board which I would like to outline.

Following Rob Aitken's resignation in September 2013, and in a decisive step to introduce additional industry knowledge to the Board, Steven Hatch was appointed as a non-executive Director. Steven brings in excess of 20 years' experience from within the recruitment and human resources industry.

As a Director of the Company since September 2013, Steven sits as a member of the Audit and Risk Management Committee, the Remuneration and Human Resources Committee, and the Nomination and Corporate Governance Committee.

Steven's background in the industry, has specifically focused in the management of and consulting to a number of companies across employment services, talent management and training, where he was a founder of the J2S Group a leading training and talent management company. Building on our resolve for sustainable growth and continued success, as the year progressed, the Board was determined to further enhance our industry and commercial expertise and as such appointed CEO Kevin Levine to the Board as Managing Director.

Kevin has continued to make significant contributions to the Group, and was integral to the success of the complex debt and organisational restructure.

Kevin was appointed as CEO in January 2013, and has provided strong guidance and leadership through another challenging period, whilst also seeking out and capitalising on potential opportunities both domestically and abroad. We welcome Kevin to the Board.

As some of you may know, on Tuesday we withdrew resolutions 4,5,6,7 and 8 from today's business. We did that because, although proxies were slightly in favour of all these resolutions, there was clearly no strong mandate to proceed. What was clear is that the details of the resolutions were not fully understood by some shareholders and this led to some degree of voting confusion. Although these resolutions have been withdrawn, I would like to take this opportunity to clarify some of the issues underlying them.

Firstly, those who have been shareholders for several years will understand that Directors and management fought long and hard to recapitalise the Company following the GFC, without any equity raisings which would have diluted your share value. We achieved our objectives after protracted negotiations over a long period of time with the Company's former lender, resulting in an \$88.6 million debt write-off.

Therefore, we have no intention to dilute the value of your shareholding having achieved that outcome. The authority we were seeking with Resolutions 4 and 5 was to enable the Company in the future, should an appropriate opportunity present, to issue shares in lieu of cash to potential joint venture partners or vendors of

businesses which would result in growing future profits for Rubicor and increasing shareholder value, so that any dilution in the percentage of your holding would be offset by higher earnings. This authority was to allow the Group greater flexibility in negotiations. This authority was apparently unacceptable to a number of shareholders so we responded by withdrawing the resolutions. What this means is that if, at some time in the future, we need to raise equity for an acquisition, we will at that time put a proposal to you to either participate in a rights issue or approve a placement, or a combination of both.

On the matter of options to the three senior executives, our view is that there will be no future long-term incentives unless shareholders firstly benefit. Therefore, the proposed option grants would have had no value to these executives unless the Rubicor share price increased to 10 cents for one third of the options, 15 cents for another third and 20 cents for the final third. The executives would have had to pay the current price of 5 cents per share to exercise their options. Again, acknowledging a lack of strong support for this long term incentive plan, we have withdrawn resolutions 6, 7 and 8.

### **Slide – Summary**

As a Board and Management team, we remain cautiously optimistic about the possibilities ahead, although we are confident we have structured our operations appropriately to execute on our short and medium-term opportunities.

It is both necessary and important to recognise and acknowledge the turnaround we have made in a short period of time, having recovered from a difficult period and despite an inconsistent economic and political backdrop, the Group has delivered stability in the form of improving trends, with gross margin and underlying EBITDA growing sequentially over the last 18 months.

We have identified opportunities for growth in areas of our existing operations and continue to pursue opportunities in new markets and sectors, which is backed by further investment in our people to deliver on these expectations. We will continue, where necessary, to rationalise in order to optimise our structure.

With our financial burden lifted, and many growth strategies in play, the Company is now in a much stronger position, and we look forward to repaying shareholders for their long standing support. Over the last 12 months, our share price has improved, and we regard it as imperative that we continue to deliver improved earnings and cash flows to ensure this improvement is sustained and continued in the long-term.

On 30 October 2014 we announced to the market the company's trading performance for the first quarter. For those of who missed it the unaudited results for the period ended 30 September, 2014 are as follows:

- » Revenue up 3.6% to \$53.5 million
- » NDR up 8.5% to \$10.1 million
- » Underlying EBITDA up 29.9% to \$0.7 million.

The above results reflect the ongoing benefits from restructuring of the Group and demonstrates the scalability of the current operational platform.

I thank my Board colleagues, Kevin Levine, the management team and all our staff and employees for their continuing hard work, effort and commitment. Finally I would like to thank all of you, our shareholders, for your ongoing loyalty and support.

I would now like to hand over to our CEO and Managing Director, Kevin Levine.

Thank you.

**2014 Annual General Meeting  
Addresses to shareholders**

**CEO's Address  
Mr Kevin Levine, CEO & Managing Director**

**Slide – Market Overview**

Thank you, John.

In this reporting period, we witnessed trading conditions characterised by false starts and momentum halted by political and economic uncertainty. While we were buoyed in the first quarter, which coincided with improved business and consumer confidence, this sentiment and activity was only short lived. Following the much hyped federal election, business confidence levels reversed most of our prior gains, leading to the Group once again facing challenging conditions experienced in the second quarter.

In a surprising turn in May, a historically stable month, we were adversely affected by the federal budget which saw business conditions deteriorate. However as we approached the end of the year, conditions recovered somewhat. June experienced increased activity levels supported by an increase in job advertisement numbers.

Abroad, the Group experienced more positive displays of stable economic recovery in both the New Zealand and Singapore markets.

Despite the volatile operating conditions, we were encouraged that Rubicor achieved improving trends over the last 18 months, delivering improved temp margins, increased perm revenue in the second half and cost reduction across all categories.

We acknowledge and appreciate there is still a way to go to achieving profitable and sustainable growth, however these improving trends are a good indicator that our operations and strategic initiatives are moving the Group in the right direction.

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## **Slide – Performance Overview**

The Group's second half performance was stronger than the first half, however the volatile economic and business conditions mentioned earlier, contributed to a 16.7% reduction in year-on-year revenue.

Despite this, net revenue (NDR) only reduced by 6.5% year-on-year, driven by continued uplift in temp margins, an increase in other revenue, and growth in permanent recruitment in the second half.

A reduction in employee benefits expense, rental and other expenses, amounting to \$2.7million or 7% less than over the prior year was a direct result of the operational restructure, achieved through the streamlining of operations, improved operational efficiencies and a reduction in corporate and support staff.

Underlying EBITDA of \$1.3million was recorded, down 18.8% on the prior corresponding period and the underlying NPAT loss reduced by 70.6% to \$1.0 million.

## **Slide – KPIs**

We have experienced improving trends over the last 18 months, with NDR and underlying EBITDA growing sequentially over each of the last 3 halves. NDR in the second half was up 1.6% over the first half and up 3.3% over the second half of the prior year. Underlying EBITDA in the second half was up 16.7% over the first half and up 133.3% over the second half of the prior year. These results were as a result of higher NDR, and cost reduction across all cost categories.

## **Slide – Strategic Initiatives**

This financial year marked a significant period in our Company's history, enabled by the debt forgiveness which served to re-energise and release the constraints under which we had been operating for many years.

With our liberated status, management continued to focus, with renewed energy, on ensuring our strategic objective, of delivering the necessary stability to position us for medium-term sustainable growth and profitability, was achieved.

Despite the fragile economic conditions outlined earlier, we remained firmly committed to delivering on our strategic initiatives and I am pleased to provide an update on these strategies, we feel position Rubicor to drive greater value to our clients, candidates and shareholders. In no particular order, these include:

» **Management and operational restructure:**

In January 2013 and directly following my appointment as CEO and Sue Turk as COO, we commenced a management and operational restructure aimed at delivering significant changes and positive improvements to the Group.

This period marked a clear shift in our strategy to unlock the existing value within our network of specialist brands; increasing efficiencies, extracting synergies and reducing costs at all levels.

As a result, operations were restructured, aligning complementary specialist brands, and where appropriate, brands were merged or closed in accordance to sector and market demand. Throughout the year, we demonstrated the benefits of streamlining the Group's operations - reducing 23 brands to 17 - rationalising brand management, corporate and support staff and achieving cost efficiencies as a result.

Employee benefits expense also reduced by \$0.9 million or 3.5%, despite additional cost incurred in relation to consultant headcount added. Other expenses also reduced by \$1 million or 11% and rental expense reduced by \$0.8 million or 20%.

In addition, we are particularly encouraged with the notable increase in cross-selling and collaborative activities across all our operating brands. This collaborative approach allows us to flex our existing talent pools to service a much wider customer base, and deliver the best outcomes for both our clients and candidates.

» **Office co location and brand alignment**

The consolidation and reduction of brands mentioned earlier, also facilitated the reduction in office premises from 23 to 17 sites. In addition to the rental savings, further rental reductions were achieved as a result of additional office co-locations, and exiting premises in exchange for improved premises with more space to grow at a lower cost.

This reduced rental expense by \$0.8 million or 20% over the prior period. The Company will continue to optimise rental space and expense where opportunities exist.

» **Improve operating performance**

Despite overall performance levels declining from the prior period, the Company achieved underlying stability and demonstrated improving trends as outlined earlier, with gross margin and underlying EBITDA growing sequentially over each of the last three half-year periods.

This is a significant deliverable for the Group, highlighting an upward trend in performance.

In conjunction with these results, and in-line with the strategic plan, the Group re-invested back into the business, adding to consultant numbers across sectors showing progress, and entering new markets and sectors experiencing growth, in order to drive medium-term growth strategies, at the expense of short-term profitability.

» **Growth in consultant head count**

Increasing consultant headcount continues to be a primary objective for Rubicor, and throughout this period we achieved a net growth of 11 consultants, amounting to a 6% increase on consultant headcount at June 2013.

This investment is essential to both fill strategic gaps and direct energies into areas of potential development and opportunity as we look to direct and achieve our medium-term goals.

» **Improved consultant productivity**

Consultant productivity levels were marginally down on the prior year, however for this period, we regard this as an acceptable result given the growth in new consultants and the associated delay in achieving full billing recovery from new staff.

Improving consultant productivity will be a key focus for FY15, along with continuing to attract and retain the best talent, and in-line with this we were pleased to appoint a General Manager, People & Performance who commenced in September 2014, and is charged with growing consultant head count and improving consultant productivity across the board. This appointment is testament to our increased focus towards talent attraction, retention and productivity optimisation moving forward.

» **Expansion plans:**

Being released from our debt burden, means we are now in a position to pursue growth opportunities, which is a fundamental arm of the Group's strategy, and as part of this, Asia was identified as a significant geography to underpin these plans.

Over the past year we have continued to make inroads in growing the existing Singapore operation alongside increasing headcount for the region. Having seconded the Xpand Group Managing Director to Singapore at the start of the second half, the operation has experienced improved revenue results, performance and retention levels, and we plan to open a second Asian office in FY15 to capitalise on opportunities.

In addition to geographic expansion, we continued to look at opportunities closer to home and sought to identify sectors displaying encouraging growth. At the start of the new financial year, having conducted robust market and client mapping, Ensure Health was established to provide recruitment services to the expanding healthcare market including doctors, nurses, and the pharmaceutical space. Early results from

the team have been encouraging and they have delivered a positive contribution in month three of operation.

Greater demand for Organisational Development programs also led to the national expansion of the Locher OD business, from its previous Adelaide-only operation. Personnel were added in Sydney in July, and Melbourne in September to monetise the intellectual property and operations support base.

And finally,

» **Group Technology Strategy**

As part of the strategic focus articulated last year, it remains paramount to the Group to implement a robust operating platform to facilitate and enhance a culture of collaboration to unlock the full value and synergies across the Group's specialist brands.

To this end, the implementation of an enterprise level, common database platform is currently in development and scheduled to roll out in the second half of FY15 which will significantly enhance client and candidate visibility, reduce operating cost and maximise instances of cross-selling across our network of brands.

**Slide – How we're tracking**

This slide shows where we have come from, what we have achieved to date and our focus over the short to medium-term.

Over the last 18 months we have implemented the necessary changes to achieve a robust structure and, stability at an operational level, and are now seeing improving trends. With our strategic growth initiatives, we are pushing ahead to profitable growth with the end goal of achieving a sustainable, profitable business.

## **Slide – First Quarter FY15**

The Group continued to deliver encouraging performance with strong Q1 results. Revenue is up 4%, NDR is up 9% and underlying EBITDA is up 30% on the previous comparable period.

To this end, we remain focused on executing our growth strategies, and have enjoyed a number of positive outcomes at this stage of the year including;

- Ensure Health who achieved a maiden profit in September,
- Locher OD who have added headcount nationally, and
- Our Singapore office which signed a number of new agreements covering Singapore and Hong Kong.

In addition, all major contracts up for renewal in this period have been re-signed or extended, and we remain on track with the roll out of our enterprise level technology program, in the second half.

The ongoing successful execution of these strategies further highlights that Rubicor is well placed to capitalise on opportunities in our markets.

## **Slide – Outlook**

The improved conditions we experienced in the second half of the year, albeit minimal and coming off a low base, are expected to continue. The Group remains firm on our resolve to execute our strategies, improve bottom line results and increase shareholder value.

The Group has continued to refine a niche in our specialist markets which is enabled and enhanced through our trusted client relationships, industry knowledge, deep networks and reputation.

With the necessary changes executed, the Group is well placed to take full advantage of the opportunities in the markets in which we operate and we look forward to the year ahead.

I thank the Board for their support and the management team and all our staff and employees for their on going passion, hard work and commitment.

Thank you.

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## 2014 Annual General Meeting Formal part of the Meeting

Prior to commencing the formal business of the Meeting, I would like to mention a couple of matters relating to Meeting procedure.

This is a Meeting of Rubicor Group Limited shareholders. As such, only shareholders, their appointed proxies or corporate representatives are entitled to ask questions or vote. Those shareholders will have received a yellow card on registration.

If you are a non-voting joint shareholder or a shareholder who has already voted by proxy prior to the Meeting, you will have received a red non-voting card. Holders of a red card are entitled to speak at this Meeting but not vote.

Visitors holding a blue card are not eligible to vote or speak to the Meeting but are very welcome as observers.

Following consideration of the 2014 Financial Report, I will give shareholders the opportunity to ask general questions of the Board or questions about the conduct of the audit of the independent auditor, Deloitte Touche Tohmatsu. When asking a question, could you please hold up your yellow or red card and please state your name.

In addition, you'll be given the opportunity to ask questions in relation to each of the resolutions to be considered by the Meeting when they are brought forward for consideration.

When shareholders vote can they please raise their yellow cards. If there are any shareholders who are eligible to vote at this Meeting who have not received their yellow card, please see a representative from Link Market Services at the registration desk immediately.

Finally, after the completion of discussion and before the vote on a show of hands is taken for each item, the total number of valid proxies for that item and the manner in which they have been directed will be displayed on the screen.

These figures will be as at the closing time for receipt of proxies, which was at 12:30pm on Tuesday 11 November 2014.

I will now move to the business of the Meeting.

Ladies and Gentlemen, the Notice of Meeting, dated 10 October 2014, was mailed to shareholders on that date. Items 4, 5, 6, 7 and 8 were withdrawn from the order of business and this was notified to ASX on Tuesday 11 November. Copies of the Notice were available at the registration desk and if there are no objections, I propose the Notice of Meeting be taken as read.

**FINANCIAL STATEMENTS AND REPORTS (SEE ITEM 1 IN NOTICE OF MEETING)**

The 2014 Annual Report contains the Financial Report, Directors' Report and the Independent Auditor's Report. A copy of the Annual Report was made available on the Company's website and was sent to those shareholders who requested it.

The Financial Statements have been approved by the Directors and audited by Deloitte Touche Tohmatsu.

As required by section 317 of the Corporations Act, I now lay before the Meeting the Financial Report, the Directors' Report and the Independent Auditor's Report for the financial year ended 30 June 2014.

No vote is required on this item.

## **QUESTIONS AND COMMENTS**

At this time, I would like to take any general questions or comments about the Financial Report, Directors' Report and Independent Auditor's Report.

Mr Alfie Nehama, the Rubicor Partner from Deloitte Touche Tohmatsu, is available to answer any specific questions you may have about the conduct of the audit.

Please keep any questions specifically relating to remuneration to the next item of business.

Would any shareholder who has a comment or question please raise your yellow or red card?

*(Discussion and questions)*

I will now move to the other formal items of business.

## **RESOLUTION 2: ADOPTION OF REMUNERATION REPORT**

This resolution is on the adoption of the 2014 Remuneration Report. The Remuneration Report is set out from page 14 in the Annual Report.

I note that while the vote on this item is advisory only and does not bind the Company or its Directors, the Board certainly takes into consideration the feedback we receive from shareholders.

Key management personnel (and their closely related parties) whose remuneration details are contained in the Remuneration Report are excluded from voting on this resolution except where exercising a directed proxy on behalf of persons whose remuneration details are not included in the Remuneration Report.

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this resolution.

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Would any shareholder who has a question in relation to this resolution please raise your yellow or red card?

*(Discussion and questions)*

If there is no (further) discussion, I now put the motion to approve Resolution 2, adoption of the Remuneration Report. The resolution is as stated in the Notice of Meeting and as shown on the screen. I do not intend to read the resolution unless a shareholder requires it to be read.

The total number of valid proxy votes exercisable in respect of this item of business is set out on the screen.

As Chairman of the Meeting, I will vote the 156,160 undirected proxies in favour of this resolution. There are 18,788,445 votes in favour of this resolution, 10,581,236 votes against this resolution and 37,000 abstentions. I ask that the Company Secretary and Link Market Services count the votes on this resolution.

Those in favour of the resolution, please raise your yellow card.

Those against, please raise your yellow card.

I declare the motion carried / **lost**.

*(If more than 25% are against the resolution, call a poll)*

As the result of a poll would likely be different from the vote on a show of hands, I exercise my right, as Chairman of the Meeting, to call a poll on this item. The poll will be taken following voting on the other item of business on the Notice of Meeting. I will provide instructions for the poll at that time.

### **RESOLUTION 3: RE-ELECTION OF MR JOHN PETTIGREW**

As this resolution relates to my re-election as a Director, Mr Russel Pillemer will assume the role of Chairman for the purposes of this resolution.

*(Russel Pillemer assumes Chairmanship)*

Thank you John.

Pursuant to the Rubicor Group Constitution and the ASX Listing Rules, it is necessary for at least one Director (other than the CEO), in rotation schedule, to retire and seek re-election at each AGM.

This year, Mr John Pettigrew is seeking re-election.

John joined the Company in March 2007 as a non-executive Director and was appointed Chairman of the Board on 1 April 2010. He is the Chairman of the Nomination and Corporate Governance Committee and Remuneration and Human Resources Committee, and a member of the Audit and Risk Management Committee.

John has extensive experience in senior finance and commercial roles in a number of corporations and industry sectors. Joining Stockland Property Group in 1977 as Chief Financial Officer and becoming Finance Director in 1982, John established compliance, audit and risk management committees and led teams to accomplish several successful takeovers.

He had significant roles in structuring and managing listed property trusts, developing the first Australian stapled security and establishing domestic and international unsecured note programs for Stockland Prior to Stockland, he held senior roles in engineering, automotive and hospitality sectors.

John is currently also an executive director of Astro Japan Property Group Limited.

The Directors, with Mr John Pettigrew abstaining, unanimously recommend shareholders vote in favour of this resolution.

Would any shareholder who has a question in relation to this resolution please raise your yellow or red card?

*(Discussion and questions)*

If there is no (further) discussion, I now put the motion to approve Resolution 3, re-election of Mr John Pettigrew.

The total number of valid proxy votes exercisable in respect of this item of business is set out on the screen.

As Chairman of the Meeting for this Resolution, I will vote the 156,160 undirected proxies in favour of this resolution. There are 36,652,977 votes in favour of this resolution, 10,431,236 votes against this resolution and 354,209 abstentions. I ask that the Company Secretary and Link Market Services count the votes on this resolution.

Those in favour of the resolution, please raise your yellow card.

Those against, please raise your yellow card.

I declare the motion carried / lost. Congratulations John.

I will now hand back to John.

*(John Pettigrew resumes Chairmanship)*

*(If lost on a show of hands, call a poll)*

As the result of a poll would likely be different from the vote on a show of hands, I exercise my right as Chairman of the Meeting for this resolution to call a poll in

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respect of this item. The poll will be undertaken on completion of the other items of business.

**CLOSURE (IF NO POLL)**

There being no further business, ladies and gentlemen, I declare the 2014 Annual General Meeting of Rubicor Group Limited closed.

Finally I would like thank you for your attendance and your continuing support of the Company and I invite you to join us for some light refreshments.

***IF A POLL***

Ladies and gentlemen, a poll has been called pursuant to the requirements of the law and the Company's Constitution.

The poll will be taken on resolution 2.

Link Market Services Limited has been appointed by Rubicor as scrutineers for the poll.

Please indicate your vote on your yellow voting card.

The proxy votes I hold as a nominated proxy for shareholders in relation to resolution 2 are set out on the screen.

*(Pause)*

Representatives of Link Market Services will now collect your completed voting cards. You must lodge your voting card for your votes to be counted.

Are there any outstanding voting cards?

I now declare the poll closed.

While the counting of the poll takes place I would like to invite you all to join us for refreshments. The result of the poll will be declared upon conclusion of counting of votes and will also be released to the ASX as soon as possible.

***IF RECONVENING AFTER THE POLL***

Ladies and gentlemen, if I could have your attention please, I would like to now announce the results of the poll in relation to resolution 2.

The results of the poll are set out on the screen.

Therefore I declare that resolution 2 is carried / lost.

**CLOSURE AFTER THE POLL**

There being no further business, ladies and gentlemen, I declare the 2014 Annual General Meeting of Rubicor Group Limited closed.

Finally, I would like thank you for your attendance and your support of the Company.